

PRESS RELEASE

PRADA GROUP PRELIMINARY SALES FIGURES FOR FINANCIAL YEAR 2015

2015 revenues at the same level as in 2014

Continuation of plan to enhance the contribution of the Retail network while gradually reducing the Wholesale channel

Healthy progress for Miu Miu and Church's

Milan, February 17th, 2016 – The consolidated net revenues of the Prada Group for financial year 2015 amounted to Euro 3,545 million, the same level as reported for 2014 (Euro 3,552 million), thanks to the growth of the retail network which made up for the sales decrease in wholesale channel, in line with the previously announced plan to step up the contribution of the retail network, while reducing the wholesale channel.

In more detail, **wholesale** revenues for financial year 2015 amounted to Euro 444 million, with a Euro 88 million decrease. Meanwhile the revenues of the **retail network** - 618 DOS as of January 31, 2016 – have reached Euro 3,057 million, a Euro 76 million increase at current exchange rates.

Licensed products (eyewear and fragrances) performed well and royalties, at Euro 44 million on 31 January 2016, were 14% higher; eyewear made its contribution to this growth, as did the first Miu Miu fragrance, which was launched during the second half of the year.

Retail channel by geographical area and brand

Europe recorded healthy sales growth of 6% at current exchange rates and 5% at constant exchange rate; a steady stream of tourists, especially from the Asia Pacific region and the United States, sustained sales growth. The results of the Italian market have been even better and remained positive in the fourth quarter.

The continuing upward trend in the **Japanese** market – unbroken now since 2010 – saw growth of 11% for the full year at current exchange rates, or 4% at constant rates.

Thanks to favorable exchange rates, sales on the **American market** grew by 5%: in real terms, there was a 9% decrease largely because of the significant strengthening of the US Dollar which affected the inflow of tourists to the area.

The economic situation on the **Chinese** market remains negative, although there was some

improvement in the final quarter. Consequently, in financial year 2015, the entire **Asia Pacific** area (excluding Japan) recorded a 4% revenue decrease at current exchange rates and a 16% decrease at constant exchange rates.

Middle East: a good fourth quarter meant the financial year ended with 11% growth at current exchange rates, while limiting the decrease at constant exchange rates to 5%.

Moving on to the retail channel by individual brand, **Prada** recorded a 1% increase for the year to Euro 2,486 million, entirely attributable to the exchange rate effect. Meanwhile, **Miu Miu** enjoyed revenue growth at both current exchange rates (+10%) and constant exchange rates (+1%) and its performance improved in the fourth quarter. **Church's** also achieved growth for the year of 14% at current exchange rates and its performance was also positive in constant exchange rates, +7%.

Patrizio Bertelli, Chief Executive Officer of Prada Spa, commented: *“Throughout 2015, we had to deal with an economic environment characterized by extreme volatility in currency markets, as well as by the deteriorating geopolitical situation in many world regions. These two factors have made prices fluctuate widely and diverted tourist traffic in sudden and unpredictable ways. Our retail network –now truly global thanks to investment in recent years – enables us to keep developing a direct relationship with our ever more demanding customer all over the world. In the coming months, the Prada Group will be focusing its energies on the development of new commercial and marketing initiatives to sustain organic growth, also by means of an extensive digital project to strengthen dialogue with our customers. These actions, taken against the background of rigorous and disciplined cost control, will enable us to consolidate our market position with satisfactory margins and returns on investment”.*

Full results regarding performance in the 2015 financial year will be published following the Board of Directors' meeting which will approve the Financial Statements and will take place in the first half of April 2016.

Prada Press Office

Tel. +39.02.541921

e-mail: ufficio.stampa@prada.com

PRADA Group

The PRADA Group –HKSE Code: 1913 – is one of the world leaders in the luxury goods sector where it operates with the Prada, Miu Miu, Church's and Car Shoe brands in the production and distribution of luxury handbags, leather goods, footwear, apparel and accessories. Moreover, in 2014, Prada acquired 80% of Marchesi srl, owner of the historic Milanese patisserie founded in 1824. The Group also operates, under licensing agreements, in the eyewear and fragrance sectors. Its products are sold in 70 countries worldwide through a network that included 618 directly operated stores (DOS) at January 31, 2016 and a select network of luxury department stores, independent retailers and franchise stores.